North America Upstream
Gulf of Mexico Land
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Joseph F. Smith, Jr. Unitization Coordinator

March 29, 2004

ChevronTexaco

Hon. James H. Welsh, Commissioner Department of Natural Resources Office of Conservation P. O. Box 94275 - Capitol Station Baton Rouge, Louisiana 70804-9275

Dear Sir:

Chevron U.S.A. Inc. requests the calling of a public hearing, after due legal notice, to consider the following matters pertaining to the 8300 Foot Sand, Reservoir H, in the Bay Marchand Block 2 Field, Lafourche Parish, Louisiana.

- 1. To establish rules and regulations governing the exploration for and production of oil and gas from the above sand.
- 2. To establish a single drilling and production unit for the above sand.
- 3. To force pool and integrate all separately owned tracts and mineral leases and other mineral interests within the unit.
- 4. To designate Chevron U.S.A. Inc. as operator of the 8300 RH SUA.
- 5. To designate Chevron's SL 1365 Well No. 28 as the unit well for the 8300 RH SUA.
- 6. To provide that any future replacement and/or alternate wells for said unit shall be exempt from the spacing provisions of Statewide Order No. 29-E.
- 7. To provide for future reclassification of the reservoir without the necessity of a public hearing if such reclassification becomes necessary due to a change in production characteristics.
- 8. To consider such other matters as the Commissioner may deem pertinent.

The 8300 Foot Sand, Reservoir H, in the Bay Marchand Block 2 Field is hereby defined as being that oil and gas bearing sand encountered between the electric log depths of 8,757 (-8,025 TVD SS) feet and 8,871 (-8,117 TVD SS) feet in the Chevron U.S.A. Inc. – SL 1365 Well No. 28, located in Lafourche Parish, Louisiana.

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Chevron will provide for the advertisement of the legal notice in a newspaper of general circulation in the vicinity of the Bay Marchand Block 2 Field, and also will post the legal notice and unit plat in a prominent place in the area of the field. Chevron will also mail a copy of said legal notice and unit plat to Interested Owners, Represented Parties and to Interested Parties.

Attached are (1) a copy of the unit plat, (2) a list of Interested Owners, Represented Parties, and Interested Parties, and (3) our check in the amount of \$755.00 to cover the application fee.

A copy of this application, plat and list attached, is being sent to Mr. Richard D. Hudson, District Manager, Lafayette, Louisiana. A copy of this application and plat are also being sent to each Interested Owner, Represented Party, and Interested Party after a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

The pre-application conference was not held since Chevron did not receive a request to confer.

All pertinent data relating to this notice can be obtained, at the cost of the requesting party, by contacting the undersigned at Chevron U.S.A. Inc., 935 Gravier St., Room 1944, New Orleans, Louisiana 70112, telephone number (504) 592-6710.

Yours truly,

seph F. Smith, Jr. Unitization Coordinator

JFSmith:BM28300RHSUA

Attachments

cc: Mr. Richard D. Hudson, District Manager
Department of Natural Resources
Office of Conservation
Lafayette, Louisiana

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Interested Owners, Represented Parties and Interested Parties

